

## Message Text

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PAGE 01 REYKJA 00387 131552 Z

44

ACTION EB-11

INFO OCT-01 EUR-25 ADP-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 DOTE-00 SS-15 NSC-10 L-03

H-02 PA-03 USIA-12 PRS-01 RSR-01 GAC-01 /105 W

----- 063445

R 131510 Z APR 73

FM AMEMBASSY REYKJAVIK

TO SECSTATE WASHDC 3538

INFO AMEMBASSY LONDON

AMEMBASSY BONN

AMEMBASSY COPENHAGEN

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

LIMITED OFFICIAL USE REYKJAVIK 0387

E. O. 11652: NA/ A

TAGS: ETRN IC

SUBJECT: CIVAIR: MERGER OF LOFTLEIDIR AND FLUGFELAG ( ICE-  
LANDAIR)

1. ICELAND' S TWO INTERNATIONAL AIRLINES, LOFTLEIDIR AND FLUG-  
FELAG, ANNOUNCED PUBLICLY ON APRIL 11 THEIR AGREEMENT IN  
PRINCIPLE TO MERGE, WITH SOME FORM OF UNIFIED OPERATION TO  
COMMENCE BY AUGUST 1, 1973. PRESS RELEASE FROM GOI, UNDER  
WHOSE AUSPICES DISCUSSIONS HAVE BEEN CONDUCTED FOR SEVERAL  
MONTHS, STATES THAT AIRLINES HOPE TO SETTLE ALL DETAILS BY MAY  
31. APPROVAL OF SHAREHOLDERS WILL THEN BE NECESSARY.

2. LOFTLEIDIR' S MANAGING DIRECTOR CONFIRMED ABOVE TO EMBASSY  
AND SAID HE NOW SEES NO REASON WHY MERGER SHOULD NOT GO THROUGH,  
BUT ADDED THAT MANY DIFFICULT POINTS MUST STILL BE RESOLVED.  
FOR EXAMPLE, DISTRIBUTION OF EQUITY IN NEW ORGANIZATION IS  
APPARENTLY STILL UNDETERMINED. THIS PROBLEM LEAD HIM TO CON-  
CLUDE PRIVATELY ON FEBRUARY 8 THAT THERE WAS NO CHANCE OF MER-  
GER. HIS PRESENT OPTIMISM CONFIRMS FOR FIRST TIME THAT TALKS  
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HAVE MADE REAL PROGRESS. DISCUSSIONS WILL CONTINUE APRIL 16.  
IRVING

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\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 APR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973REYKJA00387  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
**Film Number:** n/a  
**From:** REYKJAVIK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730442/aaaaindv.tel  
**Line Count:** 70  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 26 JUL 2001  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> jms 980113  
**Subject:** CIVAIR: MERGER OF LOFTLEIDIR AND FLUGFELAG ( ICE- LANDAIR)  
**TAGS:** ETRN, IC  
**To:** BONN  
COPENHAGEN  
EB  
LONDON  
LUXEMBOURG  
OSLO  
SECSTATE WASHDC

STOCKHOLM

**Type:** TE

**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005